GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:897
ANSWERED ON:27.02.2001
SETTING UP OF FERTILIZER PLANTS
SRIKANTA DATTA NARASIMHARAJA WADIYAR

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) The number of Fertilizers Plants set up in Eighth and Ninth plans in different states;

(b) The number out of the said plants are earning profit;

(c) whether the Government have reviewed the working of the loss making Fertilizer Plants;

(d) if so, the details of period covered under the review; and

(e) the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI S. B. MOOKHERJEE)

(a): As per the industrial policy resolution dated 24th July, 1991, no license is normally required for setting up /expansion of fertilizer plants. Entrepreneurs are free to set up fertilizer projects anywhere in the country subject to environmental clearance. However, Public Sector Undertakings/ Co-operative Societies under the administrativecontrol of the Department of Fertilizers (DOF) have to obtain approval of the Government before undertaking such capital expenditure beyond their delegated powers.

In the Public/co-operative sector the following major fertilizer projects werecommissioned during the eighth and ninth plan period in the states mentioned against them:-

i) Indian Farmers Fertilizer Co-operative Ltd. (IFFCO)

(a) Aonla Urea Expansion Project, Aonla, UP.
(b) Kalol Urea Expansion Project, Kalol, Gujarat.
(c) Phulpur Urea Expansion Project, Phulpur, UP.
(d) Kandla DAP/NPK Expansion Project, Kandla, Gujarat.

ii) National Fertilizers Ltd. (NFL)

(a) Vijaipur Urea Expansion Project, Vijaipur, MP.
(b) Nangal Urea Expansion Project, Nangal, Punjab.

Madras Fertilizers Ltd.,(MFL)`s Revamp Project, Manali, Chennai.

(b): All the above PSUs/ Co-operative Society have reported profits during the last financial year (1999-2000).

(c) to (e): The Government periodically reviews the working including operationaland financial performance of all the fertilizer companies in the public and co-operative sector. Based on the monitoring/review, the Government undertakes remedial measures inter alia, extending relief by way of financial/capital restructuring and budgetary support to enable them to meet their working capital requirement and critical capital expenditure.